

Fluid Quota Prices — Wow!

by Bruce Thompson
Question: I'm a fluid milk producer and I'm producing about 500 pounds per day over my quota. Some seasons it is even more than this. I want more quota, but idiots around here are paying up to \$25 per pound! Can this be justified?

First let's decide what the quota is to cost in the long run. There is always a possibility that marketing systems may change at some time in the future. Quotas

may become obsolete and hence worthless. It would therefore seem prudent to try to recover the cost of a quota within a ten year period.

If quota costs \$25 per pound what are my annual costs for 100 lbs. (\$2500 total)

Let's go to the bank and borrow the \$2500 we would need for the 100 lbs.

If we pay this back over 10 years this would be \$250 per year plus interest.

Interest rates vary. Let us look at interest from 3 percent to 20 percent.

At an interest rate of 3 percent the interest would be equal to \$37; annual principal cost would be \$287.

At 5 percent the total annual cost is \$312; at 10 percent, \$375; at 15 percent, \$437; and at 20 percent \$500.

The cost of interest was calculated on the average amount left to pay on the loan (this is 1/2 the total loan = \$2500/2 = \$1250).

The returns to our 100 lbs. Quota will be determined by: Difference in price of milk, whether we had subsidy coming from Federal Government, percent of quota that is used for fluid purpose (brings top price).

If the difference in price is \$1.00/cwt then the extra return per year (85 percent top price) would be \$310; at \$1.50/cwt, the difference is \$465; at \$2.00/cwt, the difference is \$620; at \$2.50/cwt, the difference is \$775; at \$3.00/cwt, the difference is \$930; at \$3.50/cwt, the difference is \$1140.

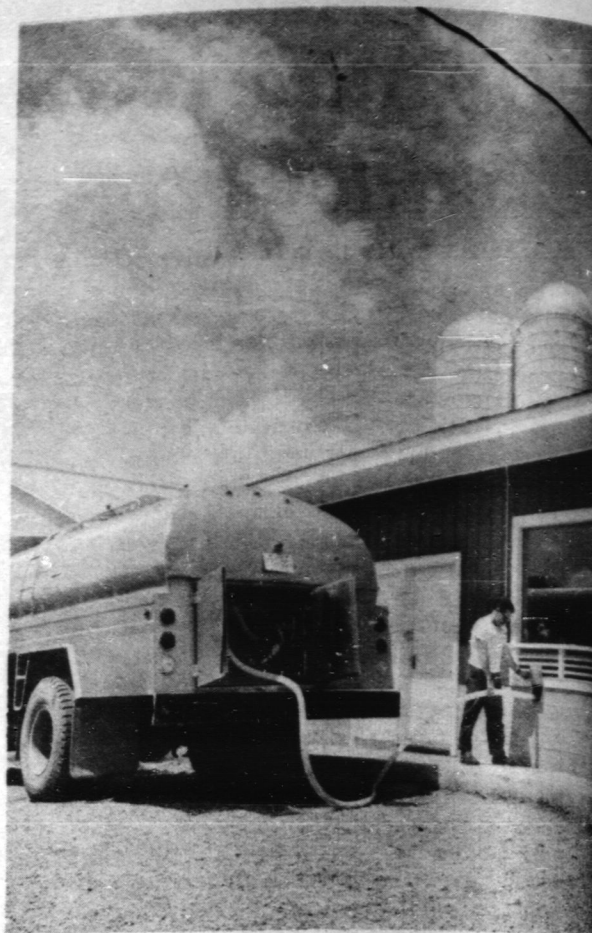
If fluid milk is \$6.65 and secondary milk is \$3.70, the difference is about \$3, and the extra return for one year is therefore about \$930, which is more than any of the annual costs listed.

If you are now producing milk over and above your quota and if extra quota can be purchased, it would appear to be good business to purchase it.

If you are producing milk in excess of your M.S.Q. then the difference between \$6.65 and \$1.30/cwt is about \$5.50/cwt. This would mean an annual revenue of about \$1700 for 100 lbs. of Quota. Compare this with the total annual costs above!

Record on a tile drainage demonstration in Elgin County have been kept now for four years. The average increase in yield over untiled land in the same field amounts to 16 bushels of corn per acre. An advantage existed even in the first year when the increase was three bushels. Greatest difference was in 1969 when the tiled area out yielded the untiled by 28 bushels of corn. Treatment of both areas in the field for this continuous corn project was exactly the same.

DEATHS MOUNT VANCOUVER (CP) — The British Columbia Safety Council reports 1,540 accidental deaths in the province in 1970, up from 1,458 in 1969. Traffic accidents accounted for 550 of the 1970 total while drownings poisonings and falls accounted for more than 200 deaths each.



How much of that milk leaving the farm brings up price? What about pricing some milk quota? (ODAF Photo)

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NOTICE OF MEETING

The West Haldimand General
Hospital Corporation

Notice is hereby given that the Annual General Meeting of the West Haldimand General Hospital Corporation is to be held at the Hospital on:

MONDAY, MARCH 15, 1971 AT 8 P.M.

By order of the Board of Directors
W. van de Ven
Secretary-Treasurer



ASSESSMENT REVIEW COURT
ONTARIO
Assessment Act 1968-69

TAKE NOTICE that the first sitting of the Assessment Review Court for the year 1971 for the Municipality of the VILLAGE OF JARVIS in the County of HALDIMAND will be held at MUNICIPAL BUILDING JARVIS, ONTARIO, MARCH 24th/71 commencing at the hour of 2:00 P.M.

Dated at BRANTFORD, ONTARIO this 2nd day of March 1971

R. W. PALMER
Regional Registrar,
for Assessment Region No. 20

Proper Fertilization Improves Forage Yields

fertilizer practices essential if forage crop is to improve from present poor levels in

Johnston, Soils Ridgetown College Agricultural Technology, attributes to the 1971 Western Ontario Week that even the forage yields if management would get Class 1 and Class 2 said Mr. Johnston,

Under similar fertility conditions, top alfalfa yields were between 11,000 and 12,500 pounds per acre of dry matter at Ridgetown, while corn yields were between 12,000 and 14,000 pounds of dry matter, he said.

The main considerations in forage production are proper soil pH, nitrogen (where the stand is mainly grass), phosphorus and potassium. Soil pH should be between 6.0 and 8.0 to obtain good establishment.

Forages should be band-seeded at planting. Nitrogen and phosphorus are most important at this time. If soils are testing medium or slightly lower, 150 pounds per acre (ppa) of 18-46-0 or 13-52-0 is

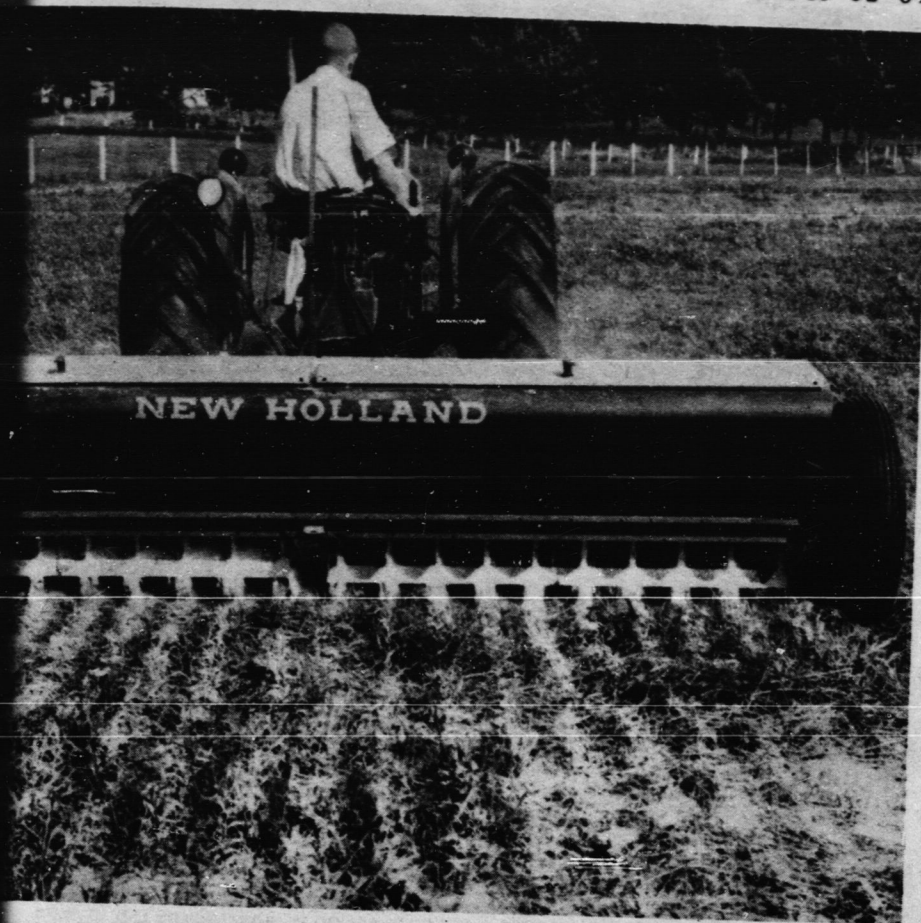
sufficient, said Mr. Johnston.

If potassium content is down, use 8-32-16 or 6-24-24. Where the soil test is high, there is no need to exceed 100 ppa of ammonium phosphate. The total requirement of phosphorus for a three to four year period can be broadcast and worked in before planting. Some phosphorus should be retained for planting.

Unless the phosphorus test is medium or below, no further increases from broadcast phosphorus should be expected. Legume forages are heavy potassium feeders, and applied phosphorus gets good results. One application a year is sufficient. Further yield increases should not be expected when soil tests read high or high plus. A small early September application may increase winter hardiness and longevity of the stand.

Nitrogen is only required by pure grass stands, or where a legume makes up less than one third of the stands. For pure grass stands, at least 120 pounds of nitrogen should be used per acre and should be applied at least twice.

Gamma globulin is made from blood collected by the Red Cross. It is used in the prevention or modification of measles, mumps, polio and infectious hepatitis.



Yields are very dependant upon the fertility. Many of our forage crops could be a boost. (ODAF Photo)

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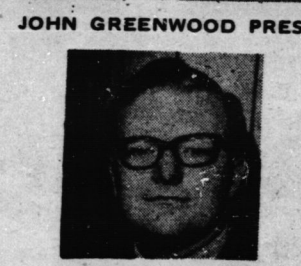
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SLT Impressions

By Mabel McLeod

The latest production of Simcoe Little Theatre, "Our Town" by Thornton Wilder was a very entertaining play portraying an average town around the turn of the century.

The first act deals with the history of the town and gives you an insight into the character of its people. It deals with good upstanding citizens who have their faults but try to overcome them and live lives useful to the community.

The second act, concerns the love affair of the Doctor's son and the Editor's daughter, with a climatic wedding scene.

The setting for the third act was the cemetery on the hill, where the spirits of the dead conversed and raised many a thought provoking question that could be applied to our lives today

such as, do we possess something eternal, do we appreciate what we have, those we love, are we prepared for life after death, or do we become lost in the trivial thus letting the things that really count slip through our fingers until it is too late. They were waiting for greater understanding, this should be the hope of us all "greater understanding" not only for the future but for today! Then we will have a better chance at happiness.

As the cast numbered in the twenties we won't try to name them here but all did a good job with their parts.

Our congratulations go to the director, Raymond Wickens for we understand that the play will go to the National Arts Centre, Ottawa on May 19.

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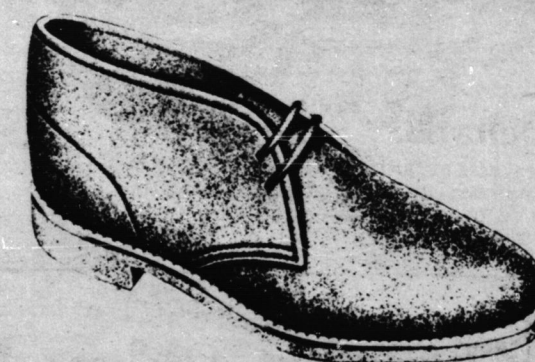
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